

## **U.S. Marine Transportation System**

By Mr. Jeffrey P. High, Director of Waterways Management, United States Coast Guard

Good morning everyone. Thanks for the opportunity to be here. I'm going to talk to you a little bit about the Marine Transportation System. Normally my challenge is I have more to tell you than I have time, and I really understand the challenge today.

So, I will skip over more things in this briefing than I normally would. The advantage you have is I put a lot of things in the slides, and so you will have them as your take away in the proceedings. I'm going to talk about the Marine Transportation System with an overlay of waterway capacity.

I'm going to get to some of the issues on policy that Dr. Hochstein asked us to address. And, last, I'm going to talk a little bit about financing issues on behalf of Carl Bentzel, who by the way was going to be part of this panel and sends his apologies.

I talked to him on Monday. He told me four times to please let you know that he is sorry that he couldn't be here. I said, "okay, Carl, give me your top two points," and you'll get them from me with a little bit of interpretation.

My theme on waterway capacity is going to be published in a PIANC report, actually coauthored by me and Lieutenant Alan Blume sitting back there. Alan should get all the credit. So, Alan, I'm going to tell them a little bit about what we were looking at.

Waterway capacity. We've said basically in the United States we don't have a plan for figuring out what it is or how to measure it. We do little things, and certainly the Corps has some measures of the stuff that flows on our waterways. But we looked at it, and we said there is no single way to define a waterway. Certainly, you can consider waterways as links between points of production and points of consumption. We've heard a lot about that from Karin. And there are different users of the waterway.

If you look at the highway system, for example, primary roads, secondary roads, that kind of a model, there are different kinds of waterways. So part of our paper will tell you a little bit about that.

We considered different ways of looking at capacity. One is sort of a dimensional analysis. How big is it? What can fit in it? Like ships and things going through it. Ships domain theory says if you have a ship this big, it needs a little bit more space because it's got to turn. How much goes through that channel, or throughput, is another measure of capacity. These are things that are important to us.

Our whole idea is that you need to have a definition that's flexible, that is scaleable, and that's for all the waterway users. That's not just the commercial, it's recreational and so forth. And it must be easy to understand.

Actually our bottom line is that there are lots of things to learn out there. You can benchmark creatively. Some of the European and Asian countries are ahead of us. We can learn from them.

You could also learn from other modes. Highway planners have been considering capacity issues for 50 years. We talked to them and asked what we could learn from them. So, there you have a little bit of capacity as an overlay.

I'm going to tell you now about some of the things that are going on in the Marine Transportation System. First, what is the Marine Transportation System? It includes the waterways, the ports, and their intermodal connections.

Those of you who know John Pisani, may know he was my partner on this when we started this effort four years ago. I'm now working with Doris, Bob, and others in MARAD. One of the pieces I've underlined here is that MTS is intermodal. It's a very important part, and it's also a sub-system of the big full transportation system. That was one of the doctor's points. We're part of a system. We're not just a mode in and of ourselves.

So, our effort has been to figure out how do we fit it all together. Why are we doing it? Well, you've heard a lot about that from Doris and from Mr. Izzo yesterday. We need to support an expected growth in traffic and for a full range of users. So, this is why we went into the MTS. And I'm going to show you a little bit about what we've been doing.

My slides are my notes. You'll see lots of reasons that we are concerned about our national economy and security, and marine transportation contributes to it. You've heard some of the same statistics over the past couple of days, so I'm going to pass through those quickly.

Challenges. We have this growth in population. That's the world population, by the way. And the world is getting more affluent, and they want to use our goods and services, and we want to sell our goods and services, and that drives our growing economy.

That's going to double or triple the trade that's coming to and from our country and moving around within it. Clearly the size and speed of ships and our need to deploy our forces overseas are issues.

And certainly we have capacity and condition issues. You heard about that from the Corps before, and you'll hear more about that probably later today. So these are some issues, some challenges that we have.

Our MTS history. It started about four years ago. The Secretary of Transportation said, "I will be the advocate for the Marine Transportation System." We

went out, and we did listening sessions around the country. We talked, and we asked “what are your issues?” We had a national conference that followed up on those issues and wrote a report to Congress. The report was prepared by a task force. As Doris said, this was a public and private sector partnership. The national report was written by about 65 members, two-thirds of which were private sector.

So, we've been out there talking to folks. We did regional dialogue sessions next. We went back to the same places where we started and said “here's what we've been doing for you for a couple of years. What do you think now?”

And then we've had a number of sessions on harbor safety committees. That's the local level version of what we're doing. Doris talked about it in her diagram. I'll show you the diagram, too. We've had four national conferences on that. We are talking about how to learn and benchmark from one another.

I told you it's a full partnership effort. This slide shows some of the Federal agencies. I'm sorry for the alphabet soup, but the Corps of Engineers, Coast Guard, MARAD, EPA, NOAA, and a number of transportation agencies; customs, agriculture, and so forth. They're all partners in this effort. We now have 18 agencies that are very active in our process.

This is our vision statement, and it is just a very short statement. We have six principles that go along with it, and seven pages of additional description of what really we think the vision should be and by 2020. People always like to count the adjectives--there's nine, and I'll save you the trouble. I've underlined a couple here. The adjectives efficient, effective, accessible, globally competitive, and dynamic, all deal with capacity. Safety, security, and environmentally responsible are adjectives that reflect missions that have been there for a long time, but we've added the others. They're capacity issues, and there are ways to move our traffic around it.

Look at that grid that Doris showed you. The highway system is congested. We need to find a way to contribute. And again, Anatoly, there it is again. It's part of a system. We've got to remember that.

And when we started this, we talked about it being part of the National Transportation System, but folks we also have figured out it's part of the International Transportation System. In our report to Congress September of '99 we identified seven areas, strategic areas of action, and they are listed here. The check marks show you the ones where we've been most active. We've been dealing with coordination a lot. That's from our listening sessions we are told the most important thing is that the Federal government folks don't coordinate. By the way, the private sector folks don't coordinate either, but we need coordination. So, we've been working on that.

We've been working on awareness. We've heard a lot about this in the last few hours and days. the public isn't aware of the value of our Marine Transportation System. We're working on that, and I'll show you some of that in a second. And then certainly

most recently security has been a big, big issue. That's another topic for another day. Here's that same picture that Doris showed you on the different agencies. I'll just let you know that there is a public sector group. That's the ICMTS, Interagency Committee on Marine Transportation System. That's the Federal group. And then the group that Doris talked about, the MTS National Advisory Council. That's the private sector and non-Federal. And then we have local and regional, and we've talked about that.

Within the Federal sector group, this is sort of a picture of some of our standing committees, and you can see there are six of them. I've listed there the chairs and the vice-chairs of those committees. If you look down at the top four or five, you'll see there's seven different agencies taking a leadership role in these subcommittees. Again, we've got 18 Federal agencies involved. A lot of them are taking a leadership role.

The Steering Committee looks at all of these and tries to wrap them together to make sure that we are aligned. We're looking also at this awareness issue--how do we make the importance of our system known to the world? So, that's one of the things we're doing. And we're going to also be working on our strategic planning as well.

This slide shows some of the things that we're doing in the Steering Committee. We've done a number of different exhibits and so forth. We've taken Congressional staffers on tours of waterways. We've developed a logo. We're putting together a message. We're working on a video right now. To tell you the truth, we were filming some of it last week in St. Louis. We had the president of the America Grain Owners of North America, who is also a farmer.

He was talking about how getting the grain from his farm to the barge costs him more to truck than it does to barge it all the way from St. Louis to New Orleans. That gives you an idea of the value that he places on the Marine Transportation System.

The Steering Committee also is working with Congressional Affairs working groups to make this more visible in Congress. And you can see some of the things we're doing. Lots of support for each other's hearings. I've testified on behalf of NOAA, for example. We have a very interested senator. That's Senator Breaux. He believes this is a national issue. He was planning a series of hearings last fall, and those actually turned into hearings on port security. But he planned to go out and do hearings on MTS, and he still is interested.

The 22nd of May this year we're going to have a reception on Capitol Hill for the members of Congress and their staffs, and Senator Breaux is going to sponsor that. And he's planning potentially a hearing the day before or that day as well.

We have a number of other activities. I'm not going to go through these in the interest of time. They will be in the proceedings. You can see we have a lot of things going on. There's one in the middle I will tell you about, though.

The DOT working groups on the reauthorization of the Transportation Equity Act

of 21, that's TEA-21. I am a member of the group within the Department of Transportation that's looking at that re-authorization. It is very focused on the surface mode. We have modes that are surface, and we have modes that are maritime, and they do not mix.

My pitch whenever I go to those meetings is “don't forget the maritime, don't forget the maritime.” The point I'm making this year is that as we re-authorize, although we may not be ready to buy into this system yet with maritime money, we ought to be looking at how do we work on the maritime in the future. What kind of joint planning do we have? How do we do the kinds of things that Europe is looking at in terms of the total system?

So, I'm trying to make that point. There are other things going on. I will just let you know we talk about public and private sector financing. The U.S. Chamber of Commerce has put up some of their own money for a 14-month study. I want to say it's probably a half million dollars or more of their money.

They've hired John Vickerman from Trans Systems to do this study. There's a blue ribbon panel made up of Federal members. I'm on it, MARAD is on it, Customs is on it, plus some other Federal members. We have trucking and rail involved, and they're very much looking at intermodal things. That's industry money looking at this problem of industry links.

And we're looking at SEA-21 policy papers. If we ever get a maritime version that's equivalent to the TEA-21, we want to be able to talk to the secretary; here's the kinds of things that you ought to be looking at. We now have a list of about 40 items, very specific things that we need to do to improve the maritime system, and part of that is linking to the TEA-21 .

Here are some of the issues. Again, you'll see them in the proceedings. That's just a listing of some of the topics that we are looking at under our interagency group. We're going to provide these to the Secretary of Transportation.

I told you I'd weave in capacity. I think in the interest of time, I'm just going to let you know that we have worked with the Marine Board and got a conference together to talk about what we mean by capacity and how we would measure it. That happened in April, but we've got more work to do.

The next thing is that Congress will come to us and say “okay, I buy your story. You need stuff for the Marine Transportation System. What do you need?” We don't have the answer today. The Corps has some pretty good answers on dredging and locks and dams and those kinds of things. But in terms of the total Marine Transportation System, we don't have all the answers. We're going to get something from the Chamber of Commerce study, I believe. We've looked at a study on energy transportation if we can get some funding to do that probably through the Marine Board. We'll have some answers there.

And we're looking at other ways to assess our MTS needs. That's sort of the first step. We have a number of challenges. They center around awareness. We need people to know why the Marine Transportation System is so important. That's the public and the Congress. We have a number of specifics that I've mentioned already, and we need to tie somehow into this TEA-21 planning process.

Our funding processes for TEA-21. That's another story. If anybody wants to ask me, I've got some ideas on where the billions of dollars are. I think there is some money for marine transportation, and that's the way we're going to buy the SEA-21 .

Okay, I'm going to close with this slide. On behalf of Carl Bentzel, I asked him, "Okay, Carl, what are your main points?" He said, "First of all, Senator Breaux is very interested in this, and he's taking sort of a two-phase approach."

The first phase is, what are the numbers? What are the issues out there? He's looking at various modes. He said, for example, let's look at the difference between the amount of money that's collected for the highways and the surface modes, and the amount of money that is spent on that. And how much is collected in the airways, and how much is spent on air? And how much is collected and generated by the maritime, and how much of that is spent?

He's commissioned a GAO study to look at that. They're going to get their first briefing on the 24th of April. Their findings are basically this, a hundred percent of the surface transportation money collected goes into surface transportation. A hundred percent of the air goes into air. 20 to 25 percent of the money collected from the maritime goes into maritime issues. That's Senator Breaux's main theme. He's ready to put it on a placard and go down on the floor of the Senate and talk about it. That's a good thing for maritime.

Phase II is how do we maximize on that system? In other words, again what's the answer? When we say okay, we've got to take that other 75 percent and collect it and put it into maritime, what are you going to do with it?

And therein lies the issues of the study that we've got going on and some possible legislation and funding. Senator Breaux is looking at how he can help. I've talked to Carl Bentzel about some of the studies, and I've told him we need money for the studies. And he said, "I think I can help you with that." And he's going to try and work that.

Here is the bottom line. Carl Bentzel's name and phone number are on the slide. Now, this is what happens when you don't show up; people give out your phone number. But actually Carl said I could do that. In fact, he encouraged me to do so. He apologized again many times for not being able to be here. And he did say if anyone has any ideas on how we should determine the needs for the maritime system, or how we should spend the money, feel free to call him because he's probably going to be the guy writing the legislation. I apologize for going so quickly, but I'm finished now. Thank you very

much.

